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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION II

290 BROADWAY

NEW YORK, NEW YORK 10007-1866

MAR 09 2010

Mr. Dave Rabbe
Director, Environmental Remediation
Tierra Solutions, Inc.
2 Tower Center Blvd., 10th Floor
East Brunswick, NJ 08816

Re: In the Matter of Lower Passaic River Study Area of the Diamond Alkali
Superfund Site, CERCLA Docket No. 02-2008-2020
Financial Assurance

Dear Mr. Rabbe:

In letters of February 18 and February 22, 2010, Respondents in the above-referenced Administrative Settlement Agreement and Order on Consent ("AOC") between the United States Environmental Protection Agency ("EPA") and Occidental Chemical Corporation and Tierra Solutions, Inc. ("Respondents") have requested a change in the form of financial assurance, pursuant to Paragraph 92 of the AOC. Paragraph 92 requires that Respondents obtain written approval from EPA before modifying the form of financial assurance.

Respondents' proposal is to make the remaining payments required under the Trust Agreement through letters of credit rather than into the Trust, which was approved by EPA in Paragraph 88 of the AOC. At the present time, EPA approves Respondents' modification of the form of financial assurance required under the AOC for the upcoming payment in March by allowing the payment to be made through a letter of credit. EPA's approval of Respondents' modification remains subject to Paragraph 89 of the AOC, which provides that the financial assurance instruments must be satisfactory to EPA, in EPA's sole discretion, and that EPA may require alternative forms of such instruments pursuant to the terms of that Paragraph.

Sincerely Yours,

Raymond J. Basso
Strategic Integration Manager
Emergency and Remedial Response Division

cc: C. Dinkins, Vinson & Elkins
P. Brzozowski, Tierra
P. Bluestein, Tierra
P. Hick, EPA
T. Budroe, EPA
E. Butler, EPA